

Message Text

CONFIDENTIAL

PAGE 01 ABU DH 00554 110927Z

15

ACTION EB-07

INFO OCT-01 NEA-09 ISO-00 XMB-02 OPIC-03 TRSE-00 SP-02

AID-05 NSC-05 CIEP-01 SS-15 STR-01 OMB-01 CEA-01

COME-00 CIAE-00 INR-07 NSAE-00 L-02 H-02 /064 W

----- 119716

R 110850Z MAR 75

FM AMEMBASSY ABU DHABI

TO SECSTATE WASHDC 2690

INFO AMEMBASSY DOHA

AMEMBASSY TEHRAN

AMEMBASSY BEIRUT

AMEMBASSY CAIRO

AMEMBASSY JIDDA

C O N F I D E N T I A L ABU DHABI 0554

DEPARTMENT PASS EXIM BANK AND OPIC

COMMERCE FOR MEPD

TREASURY FOR ASST. SECY. PARSKY

E.O. 11652: GDS

TAGS: EFIN, EINV, BEXP, XF, US

SUBJ: EXIM BANK: TRILATERAL INVESTMENTS

REF: A. BEIRUT 1661 B. JIDDA 974 C. KUWAIT 923

1. EMBASSY CONCURS WITH THRUST AND ANALYSIS OF KUWAIT AND JIDDA REFTELS. ALTHOUGH EXIM PROPOSAL TO ABU DHABI FUND TO COFINANCE PURCHASE OF TELEPHONE EQUIPMENT BY TAIWAN WAS NON-STARTER, WE BELIEVE VISIT OF CLAYTON AND NORRIS RESULTED IN A CONSTRUCTIVE EXCHANGE OF VIEWS WITH TWO IMPORTANT ABU DHABI MONEY MANAGERS WHICH DOES NOT JUSTIFY THE PESSIMISTIC TONE OF BEIRUT 1661. SPECIFICALLY, WHILE NOT ENDORSING ANY EXIM PROPOSALS, ABU DHABI OFFICIALS DID ON THAT OCCASION SPEAK FAVORABLY OF THE GENERAL CONCEPT
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 ABU DH 00554 110927Z

OF TRILATERAL INVESTMENTS.

2. ABU DHABI HAS NOT ACCUMULATED IN THE PAST, NOR IS LIKELY TO HAVE IN THE FUTURE, SURPLUS FUNDS ON ORDER OF MAGNITUDE OF SAUDI ARABIA AND KUWAIT. PERHAPS, THEREFORE, AS SUGGESTED KUWAIT REFTEL, WISEST COURSE IS TO CONCENTRATE USG EFFORTS ON THOSE COUNTRIES. AT SAME TIME, USG SHOULD NOT PUSH ABU DHABI TOO FAR TO THE BACK BURNER. FOR REMAINDER OF THIS YEAR, GOVERNMENT FUNDS FOR ADDITIONAL FOREIGN ASSISTANCE OR TRIANGULAR INVESTMENT MAY INDEED BE LIMITED. BUT THIS, WE BELIEVE, IS SHORT-TERM SITUATION. BEYOND THIS YEAR, IN LIGHT OF PROBABLE RESURGENCE OF CRUDE REVENUES AND GREATER CONTROL OVER EXPENDITURES, EMBASSY BELIEVES ABU DHABI WILL AGAIN BE IN SURPLUS POSITION. WE CONSIDER IT SIGNIFICANT, MOREOVER, THAT DESPITE TIGHT REVENUE SITUATION, ABU DHABI HAS SO FAR NOT RENEGED ON FOREIGN ASSISTANCE OBLIGATIONS. IT IS APPARENT THAT THIS EMIRATE AND ITS RULER WISH TO PROJECT AN INTERNATIONAL IMAGE OF GENEROSITY AND RESPONSIBILITY. THE USG SHOULD CERTAINLY MAKE USE OF THIS IMPULSE.

3. WITH MAGNITUDE OF ABU DHABI FUTURE SURPLUS MUCH LESS THAN OTHER OIL EXPORTERS, IT PARTICULARLY IMPORTANT HERE THAT TRIANGULAR INVESTMENT PROPOSALS BE CAREFULLY STRUCTURED TO COINCIDE WITH ABU DHABI'S INVESTMENT AND, MORE IMPORTANT, POLITICAL GOALS. AS KUWAIT REFTEL SO CORRECTLY POINTS OUT, SATISFYING THE ABOVE REQUIREMENT ENTAILS A MORE COORDINATED EFFORT BY CONCERNED USG AGENCIES PRODUCING SUCH AN EFFORT WAS THRUST OUR SUGGESTION RE CREATION FINANCIAL OFFICE WITHIN NEA (ABU DHABI 340). WE AGREE WITH EMBASSY KUWAIT THAT JIDDA PROPOSAL RE REGIONAL TRILATERAL INVESTMENT SPECIALIST HAS SIMILAR FOCUS. POINT IS, AS KUWAIT REFTEL APTLY STATES, THAT GREATER CONCERTED EFFORT IS REQUIRED - PRIMARLY, WE FEEL, IN WASHINGTON - AND THIS MUST BE COUPLED WITH PATIENCE TO SEE IT BEAR FRUIT.

4. AS FOR EXIM IN PARTICULAR, WE URGE IT TO FORWARD TO US FOR PRESENTATION TO UAEG SPECIFIC PROJECT PROPOSALS, CONCENTRATING ON COUNTRIES IN WHICH UAE PLACES PRIORITY. EVEN THOUGH AMOUNTS OF INVESTABLE FUNDS MAY NOT BE ANYTHING

CONFIDENTIAL

PAGE 03 ABU DH 00554 110927Z

GREAT THIS YEAR, TIME TO SET UP WORKING RELATIONSHIP BETWEEN EXIM AND UAEG IS NOW SO THAT IT IS WELL ESTABLISHED IN FUTURE WHEN AMOUNTS OF FUNDS HERE MAY WELL BE GREATER.

STERNER

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETINGS, DEVELOPMENT LOANS, FOREIGN INVESTMENTS
Control Number: n/a
Copy: SINGLE
Draft Date: 11 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: CunninFX
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975ABUDH00554
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750084-0854
From: ABU DHABI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750364/aaaacfnh.tel
Line Count: 112
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 BEIRUT 1661, 75 JIDDA 974, 75 KUWAIT 923
Review Action: RELEASED, APPROVED
Review Authority: CunninFX
Review Comment: n/a
Review Content Flags:
Review Date: 30 JUL 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <30 JUL 2003 by KelleyW0>; APPROVED <26 NOV 2003 by CunninFX>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EXIM BANK: TRILATERAL INVESTMENTS
TAGS: EFIN, EINV, BEXP, XF, US, XMB
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006